



# PUBLIC NOTICE

**Federal Communications Commission**  
**445 12<sup>th</sup> St., S.W.**  
**Washington, D.C. 20554**

News Media Information: 202-418-0500  
Internet: [www.fcc.gov](http://www.fcc.gov)  
TTY: 888-835-5322

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**INFORMATION CONCERNING THE ASSIGNMENT PHASE OF THE FORWARD AUCTION  
(AUCTION 1002), INCLUDING SCHEDULE FOR PRACTICE AND MOCK AUCTIONS;  
AVAILABILITY OF ASSIGNMENT PHASE USER GUIDE AND ONLINE TUTORIAL;  
ASSIGNMENT PHASE BIDDING BEGINS MARCH 6, 2017**

**AU Docket No. 14-252**  
**GN Docket No. 12-268**  
**WT Docket No. 12-269**

1. By this Public Notice, the Incentive Auction Task Force (Task Force) and the Wireless Telecommunications Bureau (Bureau) provide information regarding the assignment phase of the forward auction (Auction 1002) of the broadcast television spectrum incentive auction. Bidders that won at least one block of paired spectrum in one Partial Economic Area (PEA) in the forward auction clock phase are eligible to participate in the forward auction assignment phase.

2. Bidders eligible to participate in the assignment phase will be able to log in to the assignment phase bidding system between 10:00 a.m. and 6:00 p.m. Eastern Time (ET) on Tuesday, February 21, 2017, to download their assignment phase bidding options (which correspond to their clock phase winnings), view the sequence and timing for the assignment rounds for all PEAs, and identify the assignment rounds in which they will be eligible to participate. Beginning the next day, Wednesday, February 22, 2017, we will provide one practice auction opportunity, and beginning on Tuesday, February 28, 2017, we will conduct one mock auction for the assignment phase of Auction 1002, according to the schedule announced below. The first round of forward auction assignment phase bidding will begin on Monday, March 6, 2017, and all assignment rounds are scheduled to conclude by Thursday, March 30, 2017.

3. The practice and mock auctions will give clock phase winning bidders an opportunity to become familiar with the assignment phase bidding system and to ask Commission auction and technical support staff questions about the system and the conduct of the assignment phase. The Task Force and Bureau strongly recommend that all clock phase winning bidders participate in the practice and mock auctions for the assignment phase of the forward auction.

4. To help bidders prepare for the assignment phase, today we make available the “FCC Incentive Auction Forward Auction Assignment Phase Bidding System User Guide,” which describes the features of the system that will be used to bid in the assignment phase of the forward auction and which provides detailed instructions for bidding and viewing results and payment information from the assignment phase. We also make available today an online tutorial on bidding in the forward auction assignment phase, which explains the structure of the assignment phase, the process for determining winning assignments and associated payments, and the calculation of final auction payments. Both the user guide and tutorial are available in electronic form under the “Education” section of the Auction 1002 website ([www.fcc.gov/auctions/1002](http://www.fcc.gov/auctions/1002)) and will remain available and accessible on the Auction 1002 web page for reference. We recommend that bidders eligible to participate in the assignment phase thoroughly review the user guide and the tutorial.

## I. ASSIGNMENT PHASE BIDDING SYSTEM AVAILABILITY AND DATA

5. Bidders eligible to participate in the assignment phase will be able to log in to the assignment phase bidding system for a preview period using a link for the system that will be mailed to each bidder. Bidders will be able to access the system during the preview period between 10:00 a.m. and 6:00 p.m. ET on Tuesday, February 21, 2017, the day before the assignment phase practice auction begins. Below is a list of the information that will be available to bidders in the system before bidding in the assignment phase.<sup>1</sup>

6. *Contiguity Outcome.* The contiguity outcome for each PEA or PEA group will be available in the system. Because all blocks are contiguous and of the same category (Category 1) under the band plan associated with the 84 megahertz clearing target of the final stage, it will be possible to assign every winning bidder from the clock phase contiguous blocks of frequency-specific licenses, regardless of whether they bid in the assignment phase.

7. *Grouping of PEAs for Bidding.* Bidders will be able to view whether any PEAs have been grouped for purposes of bidding in the assignment phase. PEAs will be grouped for bidding in the same assignment round if the same bidders won the same number of blocks in each of the PEAs in the group, and if all of the PEAs in the group are either high-demand PEAs or in the same Regional Economic Area Grouping (REAG) and either subject to the small market bidding credit cap or not subject to the cap.<sup>2</sup> The same assignment will be made for all of the PEAs in the group.

8. *Bidding Options.* Bidders can download their full list of bidding options provided in the “My Bids and Options” download. This file provides information about all of the bidding options available to the bidder for all assignment rounds in which it can bid, based on its winnings in the clock phase. This file can also be used to upload bids. Consistent with the contiguity outcome described above, each bidder’s bidding options for a PEA will be all of the contiguous options consistent with the bidder’s clock phase winnings.

9. *Detailed Schedule of Rounds.* The full schedule of assignment rounds will be available for viewing in the system. The assignment rounds will begin on Monday, March 6, 2017. The bidding system has already determined that there will be seventy-four assignment rounds based on the number of PEAs that can be grouped together for bidding. We expect to conduct four assignment rounds per day; therefore, we anticipate that the assignment phase will conclude on Thursday, March 30, 2017. The high-demand PEAs will be assigned first—in decreasing order of weighted pops—one PEA (or PEA group) per assignment round.<sup>3</sup> Once the high-demand PEAs have been assigned, the remaining PEAs within each of the six REAGs will be assigned, with parallel bidding taking place for a PEA (or PEA group) in

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<sup>1</sup> *Broadcast Incentive Auction Scheduled to Begin March 29, 2016; Procedures for Competitive Bidding in Auction 1000, Including Initial Clearing Target Determination, Qualifying to Bid, and Bidding in Auctions 1001 (Reverse) and 1002 (Forward)*, Public Notice, 30 FCC Rcd 8975, 9086-94, paras. 236-56 (2015) (*Auction 1000 Bidding Procedures Public Notice*); *Application Procedures for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016; Technical Formulas for Competitive Bidding*, Public Notice, 30 FCC Rcd 11034, 11215-41, Appendix H (WTB 2015) (*Auction 1000 Application Procedures Public Notice*). As noted above, bidders can access an online tutorial on bidding in the forward auction assignment phase under the “Education” section of the Auction 1002 website ([www.fcc.gov/auctions/1002](http://www.fcc.gov/auctions/1002)). The assignment phase is designed to give highest priority to assigning bidders within a PEA contiguous blocks of spectrum to the extent possible and to simplify the bidding process. See *Auction 1000 Bidding Procedures Public Notice*, 30 FCC Rcd at 9088, para. 244; *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11215. As described in more detail below, before the assignment phase begins, eligible bidders will be able to access information about their bidding options for each PEA in which they had clock phase winnings, the grouping of PEAs for bidding in each assignment round, and the sequencing of the assignment rounds.

<sup>2</sup> *Auction 1000 Bidding Procedures Public Notice*, 30 FCC Rcd at 9087-88, para. 242-43.

<sup>3</sup> *Id.* at 9089-90, para. 247.

as many as six REAGs during the same assignment bidding round. Within each REAG, bidding will take place in order of decreasing weighted pops.

10. Access to the actual assignment phase data will be suspended during the practice and mock auction, but will become available again at 10:00 a.m. ET on Friday, March 3, 2017—three days before bidding in the assignment phase begins. During the practice and mock auctions, bidders will continue to log in using the same link that they use for the assignment phase bidding.

## **II. ASSIGNMENT PHASE PRACTICE AUCTION**

11. For the assignment phase practice auction, the bidding system will use the actual PEAs in the incentive auction, but bidders will not necessarily be assigned PEAs in which they have clock phase winnings. Each clock phase winning bidder will be assigned a randomly-selected set of PEAs on which it may bid. Each bidder's assigned practice PEAs will determine the assignment rounds in which it may bid in the practice auction. Bidding in the practice auction will not predict actual bidding in the assignment phase of the forward auction.

### **A. Practice Auction Design**

12. Each bidder will be randomly assigned practice winnings in PEAs to provide an opportunity to participate in at least the same number rounds in the practice auction as it will have in the actual assignment phase, up to a maximum of five rounds. For example, if a clock phase winner has actual winnings in PEAs in four rounds of the assignment phase, it will be randomly assigned PEAs in at least four rounds for the practice auction. If a clock phase winner has actual winnings in PEAs in more than five rounds of the assignment phase, it will be randomly assigned PEAs in five rounds for the practice auction.

13. Bidders' assigned practice winnings will enable them to simulate the experience they will have in the assignment phase. Accordingly, if a bidder's clock phase winnings include any blocks in any of the high-demand PEAs, then the bidder will be randomly assigned practice winnings in one high-demand PEA or PEA group.<sup>4</sup> A bidder that does not have clock phase winnings in any high-demand PEA will not be able to practice bidding in an assignment round for a high-demand PEA or PEA group. If a bidder has clock phase winnings in multiple REAGs that will be assigned in the same assignment round, its assigned practice winnings will include PEAs or PEA groups in multiple REAGs that will be assigned in the same round. If a bidder does not have clock phase winnings in multiple REAGs that will be assigned in the same assignment round, its assigned practice winnings may or may not include PEAs or PEA groups in multiple REAGs that will be assigned in the same round.

14. In each PEA, a bidder will be randomly assigned either one or two blocks, and each bidder's practice clock phase winnings will include both reserved and unreserved blocks in at least one PEA. Each bidder will be eligible for its actual forward auction bidding credit in the practice auction.

### **B. Practice Auction Schedule**

15. The assignment phase practice auction will begin on Wednesday, February 22, 2017, and continue through Friday, February 24, 2017. Bidders will be able to preview assignment phase practice auction data beginning at 10:00 a.m. ET on Wednesday, February 22, 2017, and three practice assignment rounds will be conducted that afternoon with bidding for assignments in high-demand PEAs. The second and third days of the practice auction will consist of four practice assignment rounds each day and will include bidding for assignments in non-high-demand PEAs, with bidding conducted for PEAs in up to six REAGs during each round.

16. When the assignment phase practice auction data preview period begins, bidders will be able to access the system to download the file of assignment phase practice bidding options and to see the

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<sup>4</sup> A bidder that does not have winnings in at least one high-demand PEA will not be assigned practice winnings in a high-demand PEA.

order of the assignment rounds for the PEAs in which they have assignment phase practice PEA selections.<sup>5</sup>

17. The assignment phase practice auction will occur as follows:

February 22, 2017:

Preview Period	10:00 a.m. – 12:00 p.m. ET
Practice Assignment Round	12:00 p.m. – 1:00 p.m. ET
Practice Assignment Round	2:00 p.m. – 3:00 p.m. ET
Practice Assignment Round	4:00 p.m. – 5:00 p.m. ET

February 23, 2017 and February 24, 2017:

Practice Assignment Round	10:00 a.m. – 11:00 a.m. ET
Practice Assignment Round	12:00 p.m. – 1:00 p.m. ET
Practice Assignment Round	2:00 p.m. – 3:00 p.m. ET
Practice Assignment Round	4:00 p.m. – 5:00 p.m. ET

18. Bidders that participate in the assignment phase practice auction will have the ability to use all features of the assignment phase bidding system, as in the actual assignment phase bidding rounds.

### III. ASSIGNMENT PHASE MOCK AUCTION

19. The assignment phase mock auction will provide winning clock phase bidders with a final opportunity, after their experience during the practice auction, to bid in simulated assignment phase rounds. As with the practice assignment rounds, the mock auction will allow participants to become more familiar with the assignment phase bidding system and to ask Commission staff questions they may have in advance of the actual assignment phase of Auction 1002.

20. The assignment phase mock auction will begin on Tuesday, February 28, 2017, and continue through Thursday, March 2, 2017. As in the practice auction, there will be a preview period on the morning of the first day of the assignment phase mock auction, and three mock assignment rounds will be conducted that afternoon with bidding for assignments in high-demand PEAs. The second and third days of the mock auction will consist of six practice assignment rounds each day and will include bidding for assignments in non-high-demand PEAs, with bidding conducted for PEAs in up to six REAGs during each round.

21. Clock phase winners will again be randomly assigned clock phase winnings for the assignment phase mock auction. Similar to the practice auction, each bidder will be randomly assigned practice winnings in PEAs that will provide an opportunity to participate in at least the same number of rounds in the mock auction as it will have in the actual assignment phase, up to a maximum of 10 rounds. Other than the number of assigned rounds, the mock auction will use the same criteria for assigning PEAs to bidders as described above for the assignment phase practice auction.

22. The assignment phase mock auction will occur as follows:

February 28, 2017:

Preview Period	10:00 a.m. – 12:00 p.m. ET
Mock Assignment Round	12:00 p.m. – 1:00 p.m. ET
Mock Assignment Round	2:00 p.m. – 3:00 p.m. ET
Mock Assignment Round	4:00 p.m. – 5:00 p.m. ET

<sup>5</sup> See Section I above.

March 1, 2017 and March 2, 2017:

Mock Assignment Round	10:00 a.m. – 10:40 a.m. ET
Mock Assignment Round	11:00 a.m. – 11:40 a.m. ET
Mock Assignment Round	12:00 p.m. – 12:40 p.m. ET
Mock Assignment Round	2:00 p.m. – 2:40 p.m. ET
Mock Assignment Round	3:00 p.m. – 3:40 p.m. ET
Mock Assignment Round	4:00 p.m. – 4:40 p.m. ET

#### IV. BIDDER QUESTIONS DURING THE ASSIGNMENT PHASE, INCLUDING THE PRACTICE AND MOCK AUCTIONS

23. Commission auction staff will be available during the assignment phase practice and mock auctions and the actual assignment phase bidding rounds. Only a person who has been designated as an authorized bidder, the contact person, or the certifying official on the qualified bidder's FCC Form 175 should call on behalf of a bidder. To place bids by telephone or to ask time-sensitive questions during the auction, an authorized bidder must use the FCC Auction Bidder Line telephone number supplied in the registration materials and have his or her login information and RSA SecurID<sup>®</sup> token available. Bidders can also use the messaging function of the bidding system for non-time-sensitive questions or suggestions.

#### V. CONTACT INFORMATION

24. For further information on the practice and mock auctions, contact Melissa Dunford, [Melissa.Dunford@fcc.gov](mailto:Melissa.Dunford@fcc.gov), (202) 418-0617, or Jonathan McCormack, [Jonathan.McCormack@fcc.gov](mailto:Jonathan.McCormack@fcc.gov), (202) 418-1065. For general auction questions, contact Linda Sanderson, [Linda.Sanderson@fcc.gov](mailto:Linda.Sanderson@fcc.gov), (717) 338-2868. For forward auction legal questions, contact Valerie Barrish, [Valerie.Barrish@fcc.gov](mailto:Valerie.Barrish@fcc.gov), (202) 418-0660, or Scott Mackoul, [Scott.Mackoul@fcc.gov](mailto:Scott.Mackoul@fcc.gov), (202) 418-0660. Press contact: Charles Meisch, [Charles.Meisch@fcc.gov](mailto:Charles.Meisch@fcc.gov), (202) 418-2943. For technical support questions, contact the FCC Auctions Technical Support Hotline at (877) 480-3201, option nine; (202) 414-1250; or TTY: (202) 414-1255.<sup>6</sup>

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<sup>6</sup> The hours of operation for the Technical Support Hotline are 8:00 a.m. – 6:00 p.m. ET, Monday through Friday.